2002 UTAH AGRICULTURAL STATISTICS AND UTAH DEPARTMENT OF AGRICULTURE AND FOOD ANNUAL REPORT



Michael O. Leavitt Governor, State of Utah



Much has been said about America's heroes this year. We saw how unselfish our police and fire personnel can be during times of crisis. Many of us shed a tear when we saw the Ground Zero flag presented during opening ceremonies of the 2002 Winter Olympics.

Another group of heroes is worthy of attention -- our Utah farmers and ranchers. This past year has been a time of crisis for them. And they have risen to the task.

This year began with the continuation of a severe drought. In March a record number of crop-consuming crickets and grasshoppers began hatching. There was a late season frost in May that wiped out the fruit crop, and high winds blew away freshly planted seeds in some areas.

Despite these challenges, farmers picked up the pieces and did what they do best -- farm the land for the rest of us who depend on the food they produce. These are heroic people who are rarely recognized for what they do.

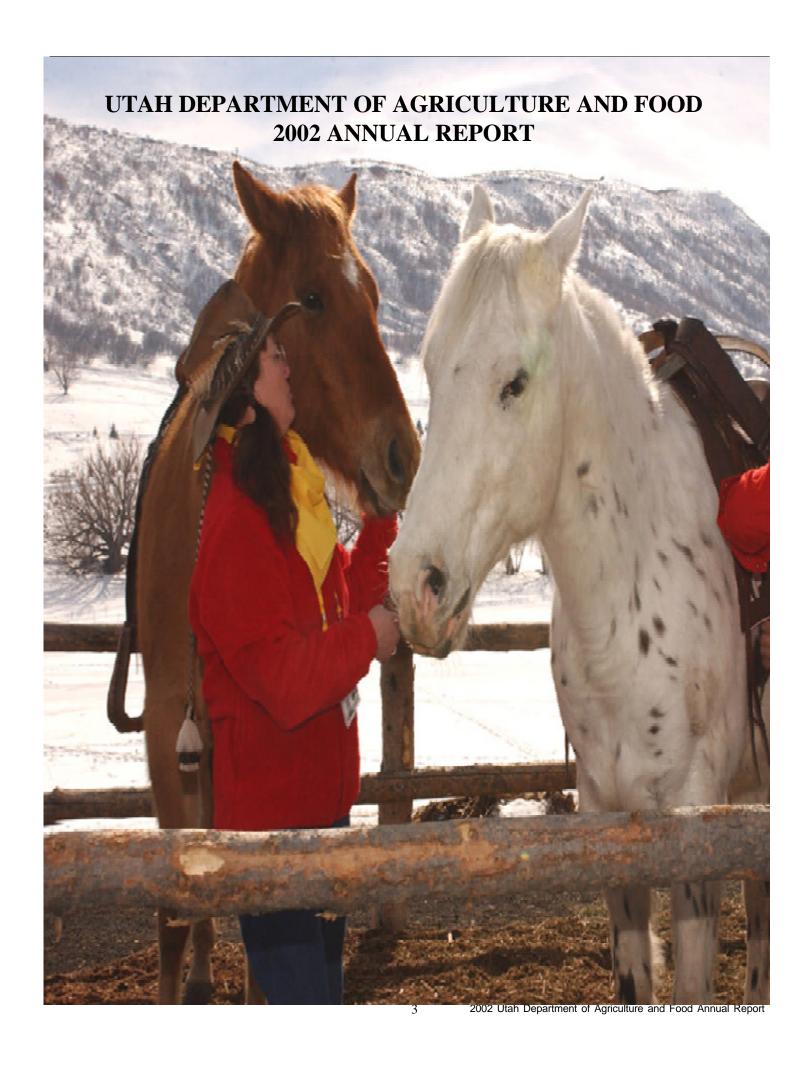
On behalf of the people of Utah, I want to thank Utah's farmers and ranchers for the services they provide. I thank them for their dedication to the land, and hope the declaration of disaster that I and U.S. Secretary of Agriculture, Ann Veneman, declared can offset some of the losses.

I also congratulate Commissioner Cary Peterson for the help and advice he is offering farmers and ranchers during these tough times. We will get through it if we continue to work together.

Sincerely,

Michael O. Leavitt, Governor

State of Utah



Utah Department of Agriculture and Food

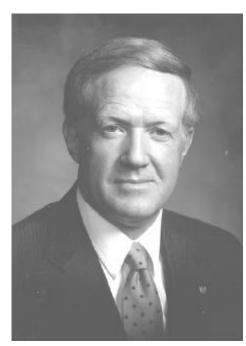
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Commissioner of Agriculture and Food Cary G. Peterson

Swifter, Higher, Stronger. Those three words represented the goals of the athletes competing in the 2002 Winter Olympics in Utah.

I would like to apply those goals to agriculture in Utah. Our farmers and ranchers continue to seek *swifter* ways to do business, producing *higher* quality products as they work to *strengthen* our economy. They are striving to do this in the face of drought, insect infestation and other weather-related obstacles. I applaud their dedication to our industry.

To coincide with Governor Leavitt's 1000-Day Economic Plan, our department has adopted a 1000-day plan that will make **us** swifter, higher and stronger as well. We are capitalizing on the benefits of technology to help our customers and employees. We are putting programs in place to help us adapt to changes whether they are expected or unexpected. We are focusing our resources in areas where they will do the greatest amount of good.



Please take a moment to turn to the inside front cover of this annual report where you will see a new use of technology. For the first, time our annual report is now available on CD ROM. This disk version of the report allows you access to information beyond the printed page.

Allow me to outline a few other goals we have established for the coming years and decades.

- Ensure a safe food product through the implementation of farm to consumer "branded" products.
- Increase on-farm biosecurity.
- Protect high-quality farmland through the Critical Agricultural Land Conservation Fund.
- Increase disease surveillance and monitoring of livestock, poultry and fish populations to prevent the spread of animal borne diseases.
- Improve and implement homeland security measures.
- Protect public health through increased pesticide safety.
- Expand on-line services for department licensing and registration and implement usage of credit card as a means of payment.
- Enhance Utah's Brand Image and Promoting Agricultural products.

Cary G. Peterson, Utah

Commissioner of Agriculture and Food

Mission Statement

The mission of the Utah Department of Agriculture and food is to insure a high-quality, safe, readily available and sustained supply of food and fiber for the citizens of the state of Utah.

In doing this, we will promote the responsible stewardship of our state's land, water and other resources through the best management practices available. We will promote the economic well-being of Utah and her rural citizens by adding value to our agricultural products. We also aggressively seek new markets for our products. And we will inform the citizens and officials of our state of our work and progress.

In carrying out that mission, department personnel will take specific steps in various areas of the state's agricultural industry, such as the following:

Regulation

Department operations help protect public health and safety as well as agricultural markets by assuring consumers of clean, safe, wholesome, and properly labeled and measured or weighed products. This includes products inspected by UDAF's animal industry, plant industry, weights and measures, and food and dairy inspectors, compliance officers and field representatives. It

involves chemical analysis by the state laboratory, which is part of the department. It also includes other consumer products such as bedding, quilted clothing and upholstered furniture.

This inspection also protects legitimate producers and processors by keeping their markets safe from poor products and careless processing.

Conservation

Through its variety of programs in this area, the department will work to protect, conserve and enhance Utah's agricultural and natural resources, including water and land, and to administer two low-interest revolving loan funds aimed at developing resources and financing new enterprises.

Marketing and Promotion

UDAF marketing section strengthens Utah's agriculture and allied industries financially by expanding present markets and developing new ones for Utah's agricultural products, locally, in the United States, and overseas as well. It also helps develop new products and production methods and promotes instate processing of Utah agricultural products for a stronger state economy.



Regulatory Services Compliance Officer, Ryan Quintana, examines processed meat at SYSCO Intermountain Food Service as part of the department's Olympic food safety duties. SYSCO supplied 500,000 pounds of food a day to the Olympics.



Jon and Ralph Meikle's Milky Way Dairy sits as an agricultural landmark along the Smithfield, Utah foothills. The UDAF and the USDA helped protect this fourth-generation dairy by purchasing a conservation easement from the Meikles.

Commissioner's Office

The Utah Department of Agriculture and Food (UDAF), led by Commissioner Cary G. Peterson, made strides in numerous areas during the past year despite facing the challenges of severe drought and budget cutbacks.

The department, like most state agencies, spent four years preparing for the 2002 Salt Lake Winter Olympics. The worldwide event lasted just 17 days, and the time and energy invested was worth it. Not one case of food-borne illness associated with the Olympic-bound food was reported. And no foreign animal disease was detected during or after the Games.

The department has statutory responsibility to protect the state's food supply, as well as animal health. Many of the department's employees worked volunteer and overtime hours to make the 2002 Games a success.

The preparation for the Games required the department to establish new and improved procedures. Many of those improvements have been permanently adopted to better serve the public for the future. One example was the creation of an Olympic Emergency Communications plan. That plan brought together program directors, division directors and the commissioner to share information about the department's work in the field.

Another lasting legacy of the Olympics is the department's 1000-Day Plan. With the leadership of Governor Leavitt, the Utah Department of Agriculture and Food developed a plan for the future that capitalized on lessons learned from the Games.

Highlights of the plan are:

- Ensure a safe food product through the implementation of farm to consumer "branded" products.
- Increase on-farm biosecurity.
- Protect high-quality farmland through the Critical Agricultural Land Conservation Fund.
- Increase disease surveillance and monitoring of livestock, poultry and fish populations to prevent the spread of animal-borne diseases.
- Improve and implement homeland security measures.
- Protect public health through increased pesticide safety.
- Expand on-line services for department licensing and registration and implement usage of credit card as a means of payment.
- Enhance Utah's Brand Image and Promoting Agricultural products.

The September 11, 2001, terrorist attack on New York and Washington generated a heightened awareness of the fact that food and water are targets for tampering and criminal or terrorist activity. UDAF is working to shift industry's paradigm into thinking about the security of food as well as the food safety aspects. We are seeking to educate food establishments on measures that can be taken to minimize the risk of food being subjected to tampering.

Mormon crickets and grasshoppers continued their unprecedented infestation of Utah range and crop land in 2001 and 2002. The 2001 Fall Rangeland Insect Survey was completed the last week of August, 2001. The survey indicates that we have 1,390,100 acres infested with grasshoppers in 2002, and 1,894,500 acres infested with Mormon Crickets. Insect damages ranging upwards of \$22.5 million may be expected again this year. Large populations of these voracious insects in 1998, 1999, 2000, and 2001 prompted a Governor's Declaration of Agricultural Disaster. Limited federal and state funds provided some relief during 2001 but left many private farmers, ranchers and homeowners to use their own resources to control the infestation.

The department informed the Utah Legislature that yet another increase in cricket and grasshopper populations is expected in 2003.

The division of Administrative Services successfully implemented Internet on-line service to the public this year. The system was first offered in the fall to renew livestock brand licenses.

Animal Industry veterinarians volunteered for duty in Great Britain to help in the Foot and Mouth Disease (FMD) eradication effort in 2001. The experience brings valuable expertise to the division, which served us well in preparations for the 2002 Winter Olympics. An Emergency Disease Response plan was developed during the course of those preparations, which will be of great future benefit. The division was active in developing and implementing biosecurity arrangements for the Soldier Hollow Olympic venue and in addressing the concerns raised by animal welfare proponents surrounding the Olympic Rodeo. Veterinary expertise was also provided for CSEPP, CERT, and CEM as well as other emergency response programs in the state.

During the years and months leading to the Olympics, the Division of Regulatory Services was a member



www.ag.utah.gov/

The Utah drought moves into its fourth year and the UDAF is offering help to farmers and ranchers on the Internet at www.ag.utah.gov/ Commissioner Peterson and Governor Mike Leavitt declared Utah an agricultural disaster area April 24, 2002. Local, state and federal programs may offer qualifying landowners loans or grants based on the amount of loss and other factors.



Kyle R. Stephens Deputy Commissioner

of an alliance called the Environmental Public Health Alliance or EPHA. The alliance was comprised of six local health departments and the UDAF, the Department of Health and the Department of Environmental Quality. The alliance formed work groups and committees to cover the broad public health and environmental aspects of the Olympics. EPHA's planning ensured that risks were minimized and problem areas were addressed and resolved quickly.

The department's Public Information Office designed a new Agriculture display for the State Capitol Building. The new upto-date, colorful and informative display promotes agriculture and its contribution to our daily lives.

The UDAF awarded more than \$600,000 in grants to promote and stimulate agricultural production in Utah. The department received the funds from the U.S. Department of Agriculture and is currently disbursing the funds. The grant money is dedicated to enhancing Utah agriculture in ways that generate added revenue directly to farmers and ranchers.

Commissioner Peterson in April urged U.S. Secretary of Agriculture, Ann M. Veneman to make changes to the Western Milk Marketing Order that would restore fair and equitable pricing for Utah dairy farmers. Commissioner Peterson offered testimony during hearings held by the USDA in Salt Lake City.

"Specifically these proposals will accomplish the following: help repair the inequalities and damages to Utah dairy producers from the Western Order; second, improve the Order Utilization and price for all dairy farmers pooled on the Order; and third, more accurately recognize the demand for milk in Utah," said Commissioner Peterson. Commissioner Peterson supports proposed changes to rules 6, 9 and 10 of Federal Order 135, thereby giving dairy farmers greater flexibility in marketing their milk.

1000-Day Plan

In the summer of 2002 department directors met with Commissioner Peterson to create the department's 1000-day plan. The document coincides with Governor Leavitt's 1000-Day Economic Plan as it outlines the department's goals for the future. The following are excerpts from that document.

Strategy #1--Enhance Utah's life quality and economic viability. A major emphasis of the department's mission is to "ensure consumers receive a safe, wholesome and properly labeled supply of food, fiber and other agricultural products."

To reach this goal the department would:

1. Review existing state codes and identify areas for update and change to allow for establishing a fee based registration/inspection program. 2. Establish a restricted fund account, through service fees, to fund critical public health responsibilities, while not diminishing existing general fund base. 3. Promote Utah's Olympic environmental and public health branding message, "Where

Life and Landscape Connect" on promotional material, mailings and marketing initiatives. 4. Educate and inform the public about the department's values.

<u>Strategy #2</u> - Invest in people. Utah has a well-educated and well-trained workforce and appropriate compensation is critical to maintain the expertise and knowledge base of highly trained employees.

<u>Strategy #3</u> - Develop Utah as a center for technology investment, employment and entrepreneurship. The department will look at opportunities to utilize E-government and expand electronic services within department programs and adapt to new technological advancements in order to more effectively accomplish the mission of the department.

New Deputy Commissioner Named

Commissioner Peterson (left) selected Kyle R. Stephens, as the department's new deputy commissioner in April. Kyle had been the director of regulatory services since 1993. He will perform a dual role as deputy commissioner and director of regulatory services until a new division director is appointed. Commissioner Peterson said he selected Stephens because of his excellent organizational skills and his broad experience and understanding of agriculture, and the workings of the department. The commissioner pointed to Stephens' success in planning and executing the 1999 NASDA conference in St. George, and his accomplishments with food safety protection during the Olympics.



Administrative Services



Renee Matsuura Director

The goal of <u>Administrative Services</u> is to provide continues, efficient and high-quality administrative support and services to the public and to agency users to assist the over all development of agriculture in Utah. Our motto is to provide exceptional customer service.

Information Technology Services

The Agriculture & Food Building has been converted over to a Cat 5 level 7 wiring and will run at 1000mb per second instead of the 10mb we having been using for several years. The conversion allows users who have not had access to LAN. This installation will also provide 1000mb per second speed when state WAN equipment becomes available. State Information Technology Services contracted with Americom to complete the project before June 2002. All data station cables and termination devices (jacks and patch panels) with Gigaspeed installation product to support future 1000mb electronic were installed. Upgraded copper wiring between phone closets to fiber optics with redundant Gigaspeed wire was also installed. Several areas were remodeled to meet state requirements which also included installation of air conditioners where hubs are collected on each floor

The WEB server is maintained by Information Technology Services 24/7 providing savings to the department at this time. Utah Interactive developed an application using the internet to provide on-line services to Utah citizens. Our first application is license renewal that will be available fall of 2002.

Additional IT accomplishments include the following programs:

- Brand certificate auditing (eliminate separate excel report and increases error checking)
- Dairy inspection and lab analysis enhancement provides ongoing certification of lab by FDA. Easier management of the program, reduced workload by office support and WEB access to dairy reports for inspector, producers and buyers with appropriate security. (If we had chosen to cooperatively develop a software program with the State of Florida, we would have paid \$200,000 and or employ a dedicated programmer)
- Audit was completed to review IT staff versus user ratio. Audit
 was completed because of customer complaints that service
 levels were not being met. Legislature approved a new position
- · E-mail addresses changed to Utah.gov.
- · Elk Farm licensing and inspection program was completed.
- · Convert all printers to NDPS connections (without using a dummy terminal connection).

Human Resource Management

The Human Resource Management section of the Utah Department of Agriculture and Food supports employees and management in the following areas:

Job classification, compensation, recruitment, payroll and leave matters, rules, policies and procedures, state employee benefits, Family Medical Leave Act, Americans with Disabilities Act, Employee Assistance Program, dducational assistance, mediation, new employee orientation and employee training.

The Department recently contracted with the Department of Human Resource Management (DHRM) to allow the department's human resource staff to function more independently from DHRM. One of the added responsibilities the contract allows the department, is to perform recruitment searches in the Resumix system, (Utah Skill Match).

Policies and procedures have recently been revised and expanded new policy has been written to enable better clarification to management and employees.

Staff members serve on the state training consortium, the human resource exchange group, the state work force planning team, and the payroll users group.

Financial Services Section

The state is getting ready to implement a new payroll system. We have had a representative on the implementation and planning committee-giving input. It will allow employees to enter their timesheets on line. The system will give better accounting reporting and less paper work. We will be entering non-taxable employee reimbursements directly through FINET in the accounts payable system. This causes less coding errors and the employees can receive their reimbursement in a faster time frame.

We have been working with the federal government for several years getting all of our grant revenue electronically transferred to our bank account. We just completed our last grant.

This year in FINET the fixed asset program has been upgraded. It produces information and keeps records in compliance with new accounting policies and procedures.

There is a new software program developed by our ITS programmer for our brand recording program. When entering it, the amount goes directly into our cash system so it doesn't have to be entered twice. It also produces reports that in the past has had to be entered in a spreadsheet to obtain certain information.

Wildlife Services

Mike Bodenchuk Federal Program Director



Wildlife damage to agriculture nationwide was estimated at \$944 million during 2001, according to the National Agricultural Statistic Service. These losses included \$619 million in losses to field crops, \$178 million in predation losses to livestock and poultry and \$146 million in losses of fruits, vegetables and nuts. In Utah, livestock loss caused by predation is the single largest source of agricultural damage caused by wildlife. The cooperative UDAF-USDA Wildlife Services program addresses predation impacts on livestock, native wildlife and human safety concerns from a number of species.

The Utah cooperative program, which includes 17 State and 16 federal employees, has served as a model for wildlife damage management programs nationwide. Personnel from the program often consult with other state and federal programs, lending expertise to developing programs and employees in all aspects of wildlife management.

Funding for the <u>Wildlife Services</u> program comes from several sources, including direct funds from livestock producers, county funding and federal and state appropriations. Due to declining sheep numbers, producer funding has decreased in recent years. However, a holistic approach to wildlife damage management has allowed the program to remain efficient.

Much of the current focus of the program involves protection of livestock from predators, notably coyotes, red fox, black bears and mountain lions. Coyotes cause substantial losses to the sheep industry, killing tens of thousands of adult sheep and lambs annually. Coyotes also kill calves and occasionally adult cattle during calving. Cougars and black bears kill sheep, lambs and a few calves, primarily in the summer months when livestock are grazed at higher elevations. Red fox, a non-native predator, kill lambs during the spring and are a serious predator to the poultry industry.

In addition to killing livestock, predators can impact native wild-life, especially threatened, endangered or otherwise vulnerable species. The current Wildlife Services program considers the impacts of predators on all components of an ecosystem. In predation management environmental assessments, completed in 1996, impacts of the program on the ecosystem were analyzed. The program, while protecting livestock and wildlife, has no significant negative impacts on the environment.

The objectives of the program are to minimize livestock and wildlife losses to predators on private, state and federal lands. WS carries out this objective by integrating methods including recommending non-lethal methods for producers to implement and by removing predators when they cause damage. The predation management program targets only offending individuals or offending populations.

Methods for predation management are used a selectively as possible to minimize negative impacts to other wildlife. Methods used to control coyotes include aerial hunting, calling and shoot-

ing, trapping, denning and M-44 sodium cyanide ejectors. In addition to removing offending predators, Wildlife Services specialists assist producers in detecting predation and, in the case of cougar and bear losses, in confirming damage for the State sponsored compensation program.

Wildlife Services continues to sponsor research into the development of methods to minimize wildlife impacts, including extensive research into non-lethal methods. Current projects in Utah include monitoring producer implemented non-lethal methods, supplemental feeding of black bears to prevent depredations and fertility control in coyotes to prevent depredations. The Wildlife Services program also assists crop and aquaculture producers in assessing and preventing damage from migratory birds. Most species of birds are protected by Federal law and professional assistance and federal permits are required. Additionally, Wildlife Services can assist producers in developing integrated strategies and locating equipment and supplies to assist them in preventing losses.

The protection of human safety and health is an important part of the Wildlife Services program. Because of the great numbers of human/wildlife interactions in Salt Lake County, Wildlife Services has an Urban Wildlife Damage Management program there. One full time urban specialist, assisted by a full-time volunteer, answer questions from homeowners and businesses on how to prevent damage, lend live traps and provide instructions on humane trapping, and pick up captured wildlife when necessary. Most of the urban calls deal with health risks associated with raccoons and skunks, but the program also has assisted in preventing wildlife diseases, rescuing wild animals, preventing the spread of rabies from bats and capturing and relocating nuisance waterfowl and porcupines. Wildlife Services also responds to several human safety concerns each year prompted by coyotes or cougars in neighborhoods.

Wildlife damage continues to decline in response to the professional Wildlife Services program. Objectives set in the 1996 EA's include keeping lamb losses to less than 5 percent, adult sheep losses to less than 3 percent and calf losses to less than 1 percent. All objectives are currently being met for those livestock protected by the program. Research indicates that losses without the program would be 3 to 5 times higher, effectively driving many producers out of business. Benefit:Cost ratios indicate that for every dollar spent on predation management, \$12 in additional economic activity is generated. Additionally, the Wildlife Services program has been effective in protecting mule deer populations, endangered species and ground nesting bird populations, all without having significant adverse environmental consequences.

Ag. Marketing & Conservation

Randy Parker Director



The Division of Marketing and Conservation has two major objectives: To assist in the economic development of the state's agriculture production sector and to protect and enhance the state's natural resources. The division works with farm and ranch producers and Utah agribusiness's in expanding market opportunities, adding value to locally grown commodities, developing new products for market, and promoting Utah agriculture in local, national and international markets. In addition, the division works with farmers and ranchers to protect and enhance the soil and water resources of the state through coordinated conservation and resource improvement programs.

Marketing

A major focus of the marketing section is to assist Utah companies in expanding markets locally, nationally, and internationally while adding value to Utah produced agriculture products. The division continues to help companies in developing marketing strategies and identifying resources to assist them. The division distributes food and agriculture directories to domestic and international audiences and provides opportunities for farmers, ranchers and agribusiness's to investigate international markets. The Internet has become an information highway that assists the division in marketing Utah agriculture and food in both domestic and foreign markets. Contact information on Utah farmers, ranchers and agribusiness's is now available through the Department's home page: www.ag.utah.gov/

Local Market Development

The division received a grant from the U.S. Department of Agriculture's Agricultural Marketing Service to promote Utah organic lamb. The grant provided \$44,000 for the division and the Utah WoolGrowers Association to investigate the market opportunity for locally grown organic lamb. The division and industry created new "heat and serve" flavored lamb products that so far have been well received by consumers. Because of work on the grant, it was determined that Utah Hotel and Institutional markets have a desire to feature Utah lamb.

The Division and Utah State Fair have teamed up to feature Utah products at the Fairpark Centennial Village. During the State Fair, the Division and Utah businesses use a historic general store concept to display and sell Utah products. The Centennial Village and General Store are patterned after a turn of the 19th century town including boardwalk. The Centennial Village is located near the rodeo arena, and provides interesting entertainment and Utah products to fair goers.

Product of Utah Program

The <u>Product of Utah</u> program provides Utah companies an opportunity to be identified to local consumers. A broad range of Utah produced and manufactured products are more recognizable to Utah consumers with the help of point of purchase identification, informational brochures and print and electronic media advertising that help drive consumer recognition and interest. In recent years, the program has expanded to include more non-agricultural products, i.e., music, sports and recreation. Utah's image in sports and recreation has companies interested in using the logo as they open new market opportunities.

There are more than 300 companies that have participated in the Product of Utah program since its beginning in the late 1980's. It has even been used by a number of companies as they have developed their export market strategies. Utah is recognized nationally and internationally for its high quality products and innovation. Many Utah companies use the logo at international trade shows, in retail stores, trade magazines and media advertising.

The Olympics provided an opportunity to showcase products for companies that participate in the Product of Utah program. The Product of Utah Olympic Store was created to operate during the Olympics. While security constraints restricted store traffic, the store provided a great display of Utah produced goods.

Food and Agriculture Exports

Following a slowdown in food and agriculture exports in 1999 and 2000 due to the economic problems in Asia, Utah's export sales rebounded in 2001. Asia continues to be the major destination for Utah's high-value, consumer-oriented food exports as well as agricultural commodities. Global customers continue to discover the quality and competitive prices of Utah's food and agriculture exporters. Animal agriculture continues to pace commodity exports with meat, skins, hides and dairy products leading the way. Utah ranks 6th nationally in skins and hides exports at \$76.7 million, 18th in dairy exports at \$12.5 million and 19th in meat exports at \$50.3 million. Crop exports were led by alfalfa hay at \$17.7 million to rank 24th nationally. Commodity exports reached \$183.5 million in 2000. As with national trends, Utah's high-value food exports continue to achieve new records with over \$207 million estimated sales in 2001.

International Market Development

The Division continues to help Utah farmers, ranchers and agribusiness's reach out to global market opportunities. Utah works with the U.S. Department of Agriculture's Foreign Agriculture Service (FAS) in identifying international market opportunities. FAS provides financial resources, commodity expertise and foreign market contacts to help companies develop new

global markets. FAS coordinates agricultural trade offices around the world that offer U.S. companies valuable in-country assistance. Congress annually appropriates \$90 million for the Market Access Program (MAP) to provide cost-share monies to eligible companies for global market development. Export market development funds are available through state departments of agriculture or through commodity groups and other cooperators participating in MAP.

The Western U.S. Agricultural Trade Association (WUSATA), made up of the 13 western states, is a coordinated effort to access federal resources and develop regional export programs and initiatives. Utah's high-value, consumer-oriented food processors are eligible to receive MAP funds for export development from WUSATA. During FY 2001-02, Utah had three companies that qualified for nearly \$200,000 in MAP funding. In addition, the division manages outreach projects in Japan and Hong Kong assisting Utah and western region companies enter these export markets.

The division hosted a two-day "Export Readiness" training session August 22-23, 2001. Ten Utah companies participated in the training opportunity. Division staff, WUSATA staff and a professional export consultant were available to introduce the Utah companies to resources, services and a one-on-one export market consultation.

The division also participates in U.S. Livestock Genetics Export, Inc., (USLGE) to assist Utah livestock producers investigate and develop export markets for sheep, beef and dairy genetics. USLGE offers Utah livestock producers a trade organization that coordinates international market development efforts. Division Director Randy Parker serves on the USLGE Board of Directors. The Utah Livestock Directory and targeted cattle directories have been distributed to worldwide audiences. Of major focus is the Northern Mexico market. Northern Mexico cattle genetics and high desert geography are similar to Utah. Division staff and an industry representative attended the Mexican National Livestock Convention June 10 - 13, 2001 in Tampico. A directory of Utah cattle producers was distributed at the event.

Great American Food Shows

The Division works with Foreign Agriculture Service to identify global opportunities for introducing Utah's high quality food and agriculture products through FAS sponsored food shows. Utah companies interested in investigating new international markets are able to participate in organized U.S. pavilions that attract perspective consumers, importers, wholesalers, and retailers,

Utah food products have been some of the featured American foods promoted at major events in Hong Kong during 2000-01. City Super, an upscale food retailer, has offered several Utah products to it's customers including Bear Creek Country Kitchens soups, Redmond's Real Salt and Stephens Coco. Park 'N Shop, Hong Kong's leading retail food chain with 220 stores, has identified a company growth strategy to introduce more American food products to its customers. During the past year, Park 'N Shop introduced more than 250 new American foods in 18 of their super stores. Utah's Bear Creek Country Kitchens soups and Norbest turkey products were among the new items available to Hong Kong residents.

In 2001, Gossner's Food re-entered the Hong Kong market with their whole and 2 percent reduced fat Ultra High Temperature (UHT) milk. After a four year absence, Prize Mart received import approval from the Hong Kong Department of Health & Environmental Hygiene for the Logan, Utah product. Gossners UHT milk is the only U.S. fluid milk approved for entry into the Hong Kong market.

FOODEX 2002 held in Tokyo, Japan March 12-15, 2002 is the largest Asian food show, attracting over 90,000 attendees. The division coordinated Utah and WUSATA participation in the U.S. pavilion and offered "Food Show Plus" a package that helped participating companies achieve better results. Food Show Plus provided advance translation services, a full time translator in the exhibitor's booth during the show and store tours and some follow-up assistance. The service helped 18 WUSATA region companies sell \$800,000 at the show and an estimated \$3 million for the coming year. Utah's Bear Creek Country Kitchens and Redmond Real Salt participated in FOODEX 2002.

U.S. Food Export Showcase, sponsored by the National Association of State Departments of Agriculture, was held in Chicago, May 5 - 7, 2002. The show attracted nearly 7,000 international buyers interested in new and innovative American food products. The division displayed 11 Utah products including the new "heat and serve" lamb product developed by the Rocky Mountain Organic Lamb Project.

North American Agricultural Marketing Officials

The North American Agricultural Marketing Officials (NAAMO) was organized in 1921 to allow state agricultural marketing representatives to share ideas, improve state cooperation and develop new marketing ideas. Today, the association has broadened its focus to include both domestic and international marketing and has expanded membership to include Canada and Mexico. Utah is a long time member of NAAMO and will participate in its 81st annual convention to be held July 14 - 18, 2002 in Baltimore, Maryland. The theme of the conference will be "Our Farms Our Future." Randy Parker continues to serve as NAAMO First Vice President.

Risk Management Agency Special Projects

The Division has been chosen one of four states to participate in a pilot project to establish a state food policy council. The Risk Management Agency (RMA) of the U.S. Department of Agriculture awarded Utah a \$45,000 grant to assist in creating a structure to administer RMA programs while promoting Utah agricultural products to Utah consumers. A goal of the council is to insure nutritious locally grown food products are made available to all citizens of the state including elderly and impoverished. The council will look at ways to improve the economic opportunities for Utah farmers and ranchers through enhanced risk management, direct marketing, farmland protection and nutrition education.

The division chose a team format for the council and is known as the Utah State Food Policy Team. Several leaders from the Utah food and agriculture production industries are serving as members of the team. The team goal is to improve farm gate revenues thereby providing an environment for sustainable agriculture.

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In addition, given that Utah has been identified as one of 13 underserved states of USDA's Risk Management Agency (RMA) the RMA provided Utah with a grant of \$219,000 to provide outreach programs to assist RMA in reaching Utah farmers and ranchers. In partnership with Utah State University, the award will allow the division and Utah State University to assist RMA's Education and Outreach Plan for the identified underserved states through direct producer training, educational partners, and investment in supportive activities.

Federal State Marketing Improvement Program (FSMIP)

The division requested and was awarded a grant for the Southern Utah Forest Products Association to create an educational and retail outlet for association products at the entrance to Capital Reef Monument in Torrey, Utah. The outlet held its Grand Opening on May 11, 2002.

Junior Livestock Shows

The Division administers the legislative mandated and funded program that assists the State's junior livestock shows. Using a formula, funds are allocated to shows to promote youth involvement and offer a quality educational experience. The Utah Junior Livestock Shows Association has developed rules with which shows and youth participants must comply to qualify for State assistance. The funding provided by the legislature must be used for awards to FFA and 4-H youth participants and not for other show expenses. During the past year, 18 junior shows were awarded funds to assist in this youth development program.

Utah Horse Racing

In 1992, the Utah Legislature passed the Utah Horse Racing Act that established a regulatory process for monitoring the horse racing industry. A five-member commission is appointed by the Governor and approved by the Senate that oversees the process and makes periodic changes based on needs or industry input. The Division administers the Act because of its importance in to market value of Utah horses. Commission sanctioned tracks and races are important in establishing recognized times for Utah quarter horses. During the past year, nearly half of the horses running on sanctioned tracks received Rating of Merit (ROM), an index that helps establish horse values and stud fees. Without Utah's regulatory system and commission to oversee the State's Quarter Horse races, the races and associated times would not be recognized by national and international groups. This would result in the loss of millions of dollars of value to our horse industry.

Market News Reporting

The Market News Section provides accurate and unbiased price information, critical to agriculture and agribusiness in decision making. Market information is disseminated through print media, broadcast media, call-in service and summary mailer. Market information is available department's worldwide web site that attracts over 2,000 hits per month. The division monitors livestock auctions in Cedar City, Salina, Spanish Fork and Ogden. In addition, alfalfa hay buyer and seller information is compiled to provide similar market information.

Groundwater and Rangeland:

The Department's agricultural groundwater, well testing and rangeland monitoring programs continue to grow and flourish. Electronic annual reports about each program are available on the Department's web site: www.ag.utah.gov/.

In 2001, the groundwater-sampling program collected 519 samples from all seven Utah Association of Conservation Districts zones. Most of the samples were collected in zones 1,2 and 3 in the northern part of the state. The samples were tested for a variety of parameters including electrical conductivity, temperature, pH, hardness, sodium and bacteria.

None of the samples contained pesticide residues. While bacteria continued to be a problem in the northern part of the state, far fewer wells tested positive for coliform bacteria in 2001 than in 200. In 2001 only nine percent of the wells tested had measurable coliform. Of that number, only one percent tested positive for E-coli.

The rangeland-monitoring program now has its annual reports from 1996 to 2001 available in hardcopy, on CD-ROM and on the Internet. During 2001 most of the sampling activity took place in the northern part of the state in places including Bear Lake, Croydon, Deseret Land and Livestock, Hardware Ranch and the Uinta Mountains near Kamas.

The Focus for 2002 shifts to the central region of the state. This includes Juab, Utah, San Pete and Millard counties.

Non-point Source Pollution:

Utah's agricultural non-point source (NPS) pollution control program continues to be funded largely by federal grants through Section 319 of the Clean Water Act. UDAF continues to serve on an interagency committee working on the inventory and assessment of Concentrated Animal Feeding Operations (CAFOs). In 2001, the Utah Legislature allocated \$400,000 for the UDAF to fund CAFO projects.

By early 2002 the CAFO assessment teams had assessed nearly 1,000 operations statewide. That assessment process should wrap up later in the year. Following the assessment, those operations needing environmental improvements will have comprehensive nutrient management plans written and then make any needed improvements.

Watershed restoration projects continue throughout the state. Chalk Creek in Summit County continues to make vast improvements in the watershed. A major sprinkler irrigation system is scheduled to be completed in late 2002 or early 2003. This will greatly reduce erosion to Echo Reservoir and the Weber River. Work also continues in other areas of the state including Beaver County and Cache County.

In the area of information and education, Utah is leading a national effort to develop a new NPS media campaign and outreach effort. The effort will be focussed at local communities and is designed to give local watershed committees, soil conservation districts, storm water coordinators and other local water quality leaders the tools they need to work with the media and the general public to reduce NPS pollution.

Soil Conservation

The soil conservation section helps enable Utah's private land managers to protect and enhance their soil, water and related natural resources. There are many short and long-term public benefits that come from protecting these resources. We strive to help create an environment where representatives of private land managers can direct the local-state-national land and watershed conservation and development programs in a voluntary, incentive based process.

The section provides staff support to the Utah Soil Conservation Commission (USCC), which is chaired by Commissioner Peterson. This Commission is a policy making body that coordinates, develops and supports soil and water conservation initiatives and programs in the state. The USCC directs financial and administrative support to Utah's 38 Soil Conservation Districts (SCD). These districts are local units of government charged by state law to help private land managers protect soil, water and related natural resources. This Commission and the districts work closely with their conservation partners to help solve land and water resource challenges.

During this last fiscal year this section carried out Supervisor election by mail for two positions on each SCD as outlined in state law. The USCC certified the results in their March 2002 meeting. There were approximately 12,000 ballots mailed with a 37 percent statewide average return. Those elected serve four-year terms of office.

The USCC has had the legal responsibility to administer the state's Agriculture Resource Development Loan (ARDL) program since its creation by the Utah Legislature in the early 1980s with staff support from the Department. The USCC has developed an administrative structure for the ARDL program so local SCDs are able to promote and benefit from ARDL projects within their boundaries. Administrative ARDL policies are kept current by the USCC. These policies were thoroughly revised during this past fiscal year with the help of the Commission's ARDL Policy Review Committee and Division staff support. This committee benefits from participation of most of the Commission's federal and state conservation partners. Representatives from the USDA Natural Resources Conservation Service, the USU Extension Service and Utah Association of Conservation Districts were especially helpful.

Also during the past year the USCC developed allocation criteria for state appropriated funds to be granted to Utah's private livestock operations to mitigate animal manure non-point water pollutant challenges. These grants can be an important incentive program for the implementation of the state's Animal Feeding Operation Strategy. Again a committee made up of livestock operators, SCD officials, state and federal natural resource professional was utilized by the Commission to develop these criteria.

Low Cost Loan Programs

The division is responsible for several loan programs to help the agriculture community and others achieve various worthwhile goals for productivity, efficiency and environmental benefits for the people of Utah. At present the division has portfolios totaling more than one thousand loans with total assets of more than \$32 million. The quality of the portfolios is very high with low delin-

quencies and a history of minimal losses. The division cooperates with the Department of Environmental Quality (DEQ) in managing one loan program, and is in process of setting up another program with that agency. Cooperation with other departments of government provides for greater efficiency with minimized duplication of effort and provides the taxpayers with more efficiency in government. The existing programs are:

Agriculture Resource and Development Loan

This program is the largest portfolio, consisting of about 900 loans and \$20.4 million outstanding. The program is managed by the division for the Utah Soil Conservation Commission in cooperation with the soil conservation districts throughout the State. The purpose of the loans is to finance improvements for land owners to provide for greater efficiencies in agriculture operations, range improvements, water and soil conservation, disaster assistance and environmental quality. The loans are written for a maximum of twelve year terms at three percent interest and carry a four percent administration fee that goes directly to the Utah Association of Conservation Districts (UACD) to help finance their operations. The program is a revolving fund which is growing at the rate of about \$1 million per year.

Rural Rehabilitation Loan Programs

These programs, funded by both State and federal monies, total about \$6.5 million, and consist of about 75 loans. The purpose of the loans is variously to help financially troubled producers to stay in business, to assist beginning farmers in obtaining farm property and to provide financing for transfer of agriculture properties from one generation to another. They are essentially loans of last resort requiring that applicants be declined by conventional commercial lenders. Terms range up to a maximum of ten years, and interest rates are five percent or less.

Petroleum Storage Tank (PST) Loans. This program is managed for DEQ to provide financing for property owners who have underground storage tanks that require removal, replacement or remediation. The portfolio consists of about 60 loans totaling about \$2 million. Loans are made for up to \$45,000 for a maximum ten year term at three percent interest.

The division is in process of developing another program with DEQ's Division of Water Quality to finance projects for eliminating or reducing non-point source water pollution on private lands.



Animal Industry

Dr. Michael R. Marshall Director



The <u>Animal Industry Division</u> of the Utah Department of Agriculture and Food contains five main programs:

- 1) Animal Health with special attention to animal diseases that can be transmitted to humans.
- 2) Serology Laboratory testing of animal blood for disease detection and control.
- 3) Meat and Poultry Inspection to assure wholesome products for consumers.
- 4) Livestock Inspection (brand registration and inspection) to offer protection to the livestock industry through law enforcement.
- 5) Fish Health protecting the fish health in the state and dealing with problems of fish food production and processing.

Major accomplishments in these areas during the past year are as follows:

Animal Health

Disease free status was maintained in the following disease categories:

*Brucellosis *Tuberculosis *Scabies *Pseudorabies *Salmonella pullorum

For the first time, disease free status was awarded for Mycoplasma gallisepticum in 2001. Disease monitoring programs continued from prior years include those for heartworm, equine encephalitis, equine infectious anemia, rabies, brucellosis, tuberculosis, pseudorabies, salmonella sp., mycoplasma, etc. Beginning in 2001, the Division participated in a West Nile Virus Surveillance program in partnership with the Utah Department of Health, the Utah Division of Wildlife Resources, and the Utah Mosquito Abatement Association. The Division of Animal Industry role was to produce a pamphlet alerting horse owners concerning this disease.

Voluntary disease control programs are at the forefront of the effort to improve the animal health of the nation. The Division began a new program in 2001 entitled the Utah Cattle Health Assurance Program (UCHAP), funded by a grant from USDA, FSIS. The program focuses on the concepts of Animal Health, Environmental Stewardship, and Food Safety through a Core Module of Risk Assessment and development of a Management Plan

This program will provide an umbrella for other spin off programs such as our voluntary Johne's Disease Control Program, Trichomoniasis testing program and future programs yet to be developed. In this vein, the UCHAP umbrella formed a partnership with the recently introduced Beef Quality Assurance Program developed by Utah State University and sponsored by the Utah Cattleman's Association.

To date, 30 farms have signed up for various aspects of the UCHAP program and 25 have completed testing of 30 animals for Johne's disease, 20 have completed a Risk Assessment and development of a Management Plan.

Programs such as the Utah Egg Quality Assurance Plan, and the National Poultry Improvement Plan were continued, with department monitoring of the quality assurance plan of each participating farm. Division veterinarians met with the various livestock enterprise groups, farm organizations, veterinary associations and other groups in the state to receive input concerning their needs and to acquaint them with new programs.

The Division veterinarians monitored livestock imports into the state by reviewing 12,207 certificates of veterinary inspection and several hundred livestock movement reports. Approximately 244 violations of Utah import regulations were investigated, and seven citations were given with fines of \$314 collected. The reported incidence of heart worm in Utah dropped to 79 reported cases, compared to 96 cases in 2000 and 120 cases in 1999. This may have been the result of Division veterinarians reemphasizing the reportable nature of the disease to veterinarians and their clients. Increased usage of preventative medications in the endemic area is also considered a factor.

Division veterinarians continue to be involved with certifying Utah agricultural products for export by issuing certificates of veterinary inspection. They performed 57 onsite inspections for brine shrimp being exported, compared to 28 the previous year, and 878 export certificates were issued, compared to 217 the previous year. The division is responsible for licensing hatcheries, qualified feedlot operators, and swine garbage feeders in the state. Sixteen such licenses were issued and onsite inspections were accomplished. The number of hatcheries in the state continues to increase in the game bird industry. The division also administers the National Poultry Improvement Plan in the state. This is a voluntary testing program wherein a flock may be certified disease free in several important disease categories. Participants in the program enjoy significant benefits when shipping birds, eggs, and products in commerce.

The Animal Health section has the responsibility of providing veterinary supervision and service to the livestock auction markets in Utah in furtherance of our disease control and monitoring programs. The program is administered by division veterinarians, using private veterinarians on contract with the state. More then 500 weekly livestock sales conducted by 8 licensed and bonded sale yards in the state were serviced under this program. Division veterinarians also provided oversight for veterinarians and technicians involved with brucellosis vaccinations and veterinarians issuing certificates of veterinary inspection for interstate movement of animals.

Division veterinarians volunteered for duty in Great Britain to help in the Foot and Mouth Disease (FMD) eradication effort in 2001. The experience brings valuable expertise to the Division, which served us well in preparations for the 2002 Winter Olympics. An Emergency Disease Response plan was developed during the course of those preparations, which will be of great future benefit. The Division was active in developing and implementing biosecurity arrangements for the Soldier Hollow Olympic venue and in addressing the concerns raised by animal welfare proponents surrounding the Olympic Rodeo. Veterinary expertise was also provided for CSEPP, CERT, and CEM as well as other emergency response programs in the state.

State-Federal Cooperative Laboratory

The primary mission of the State-Federal Laboratory is to conduct tests on blood and milk samples to help protect the health of animals and humans.

In 2001 the State-Federal Laboratory conducted the following tests:

Brucellosis serology tests:	53,737
Brucellosis ring tests:	1,784
Rivinol brucellosis confirmation tests:	178
Equine Infectious Anemia Tests (Coggins)	1,470

During 2001 the laboratory dispensed 35,010 doses of RB-51 Brucellosis vaccine. In addition, 100 vials of tuberculin test reagent were dispensed. Twelve Brucellosis card test kits were dispensed. Other miscellaneous supplies were dispensed to private practitioners, government veterinarians and technicians.

The laboratory staff and other animal health personnel issued 2,492 import permits for livestock, poultry and other animals.

A total of 571 swine blood samples were forwarded to U.S.U. for Pseudorabies screening to help maintain our Stage "V" rating.

The fish health program has begun using the laboratory facilities in a limited way for things such as media preparation and storage of other reagents, etc.

Meat and Poultry Inspection

The Utah Meat and Poultry Inspection Bureau has consistently grown in our responsibilities to the Utah consumer. The number of Utah inspected meat processing facilities throughout the state has grown slightly this past year. We have added two slaughter facilities and three processing facilities to our fully inspected state plants list. We have lost four T/A plants to our list of official inspected facilities due to federal manning requirements. We routinely answer calls from individuals that are interested in pursuing an interest in the meat industry. Our staff is on-call to review and assist new plant managers in preparation of facilities to come under state meat inspection. We work to allow these individuals the opportunity to produce meat products in a clean, well built, and sanitarily maintained facility that fits the minimal requirements established by the United States Department of Agriculture. The scheduling of daily plant inspection tasks has been addressed by the computerized scheduling of the Performance Based Inspection System (PBIS). A recent upgrade to make this system even more efficient and more economical by utilizing a new computer system, that is now in the hands of all the inspection staff, took place with the new system called the Field Automation and Information Management system or FAIM. This system gives each inspector access to either a laptop or desktop computer to accomplish their work and document the results. The computers have proven to be invaluable to the field inspectors by allowing them to account to the office in real time via the e-mail system what is going on in the remote plants throughout the state. Daily communications and message traffic have become our standard and we look forward to become more heavily involved in the electronic means of all aspects of our jobs. We have therefore effectively utilized the electronic forms of communication to make this system become a valuable part of everyday life in our inspection program. These top of the line computers have all the modern computerized programs to make documentation and tracking of information quick and easy. It has allowed our staff to be "equal to" the federal inspection system that has been utilizing this technology for several years. An extensive electronic library is also included for reference and training for the inspector in the field.

The inspection procedures for meats have changed dramatically in the last few years. We have been supportive of the new safety procedures initiated over this transition period, which began on January 25, 1998. The HACCP (Hazard Analysis and Critical Control Points) process of inspection, initiated by NASA to maintain safe foods for our astronauts, has become the government and industry standard. This system allows each plant to address their own operation and to create a plan that fits the specific production, products, techniques, and facility that they operate. Basically, the plant management team looks at each production process within the plant and analyses for any potential of a physical, chemical, or biologic hazard to the consumer. They then address methods in their specific production process to control or eliminate that hazard. Their actions are monitored, tracked, and recorded on each production day at the various critical control points (CCP) for each hazard that they identified. Meat inspection staff is tasked to review each plant's plans for each of the seven specific steps to ensure the plan meets minimum functioning status of HACCP. The inspectors will then concentrate on the process each plant operates under rather than the old command and control techniques of watching and directing all actions within a plant. The inspectors will verify the plant's documents and observe the plant's actions at the prescribed critical control points. The final validation of each lot of product produced in the plant is at the pre-shipment review point. Here the plant management verifies to himself, the inspection staff, and to each consumer that the product has been produced in accordance to all safety precautions and has met all the critical controls points during its production. The plant's pre-shipment review chart is carefully inspected by the meat inspection staff for accuracy, completeness, and thoroughness on each lot of product leaving the plant. The plant management is in total control of all products and the sanitary production of those meat products. If an inspector notes anything that is not in keeping with the plant's plan or if anything is creating a product that may be harmful to a consumer, the inspector has the authority to take immediate control action. This new inspection methodology is a dramatic change from days past. We have spent many long hours in preparation for the new system and will spend many more supporting the management of our meat production facilities throughout the state to transition to the new system and assure that each plant has control of the production of their products. Our goal is to verify to the consumer that the meat products they purchase are of the highest safety standards and quality.

As a coordinated effort for meat safety and the implementation of the new HACCP process of inspection, our office has been a key for the sampling and testing of meat products for biologic hazards. We have been instrumental in the development of several testing programs that include surveys for the microbiologic pathogens Salmonella, E. coli, and Listeria. These pathogens have been identified in human illness recently and are critical elements in the food safety monitoring efforts of our meat production facilities. We have completed 566 of the samples over this last year and look forward to an increased frequency and variety of tests to verify the wholesomeness of Utah meat products and the functioning of the new and individual control methods used within each plant in the state. Our goal is to maintain the highest quality and safety that the Utah meat consumer has been used to up to this point and validate that confidence level with the appropriate and timely testing.

This year has also been a banner year in our continued efforts of training our inspection staff. Over 2,384 hours of training have been given to our staff to maintain an up to date workforce and ensure the highest level of understanding in each of our staff. We feel that training is the best event that keeps the front line inspection staff abreast of changes and sharpening skills learned over the years. Our certified state trainer also received recognition as state trainer of the year for his progressive and exceptional efforts to keep the staff honed to the racer's edge.

We are looking forward to a new era in Utah inspected meats. Senator Orrin Hatch is reintroducing a bill to the United States Congress that would allow state inspected product to cross all borders and become equal to federally inspected meats. This will open many new markets to our meat and poultry production facilities in Utah. The United States Department of Agriculture will review our state meat inspection program annually to validate that it equals the federal program. The State of Utah has adopted all the federal standards many years ago and strictly adheres to all the federal standards. This will be a welcome addition to the meat and poultry inspection program and also to all those plants that work so hard to produce wholesome meat products. We eagerly anticipate the passage of this bill later this spring.

This past year has certainly been one for the Utah history book as we prepared for and assisted in the very successful 2002 Winter Olympic Games and 2002 Winter Paralympic Games. Our program worked to ensure the meat and poultry products supplied to the Olympic venues were wholesome, secure, and maintained for quality. Our inspection staff worked extra hours, odd hours, and throughout both events so participants and spectators could enjoy this extraordinary event. We eagerly and responsibly took the challenge to make this event a world-class effort. It was well received and well attended. We all feel that our efforts, though behind the scenes, were not without a significant addition to the success of this event. A once-in-a-lifetime experience that can be summarized in one word: outstanding!

Livestock Inspection 2001

The Livestock (Brand) Inspection Bureau consists of 14 fulltime special function officers and 50 part-time inspectors. Their job is to protect the Utah livestock industry from accidental straying or intentional theft of livestock. In addition to inspecting all cattle and horses at the state's eight weekly auctions, field inspections are done on all livestock prior to changing ownership, leaving the state and going to slaughter. During 2001, 766,431 cattle, horses and elk were inspected with \$1.3 million worth of livestock being returned to their proper owners. The 14 special function officers for the department help to enforce the livestock laws by issuing citations, working closely with county law enforcement personnel in conducting road blocks, doing theft investigations, and assisting in the removal of livestock from our highway system. During 2001, theft investigations led to the arrest and conviction of eight individuals with 153 head of cattle and horses being returned.

In addition to inspecting livestock, the livestock inspectors collect both Beef Promotion money and Predator Control money from the cattlemen as inspections are completed. This money is then forwarded onto the Utah Beef Council or Wildlife Services Program for their use. During 2001, \$683,060 was collected in Beef Promotion and \$115,607 in Predator Control.

In an effort to assist and give training to the state's port-ofentry personnel, a livestock inspector was assigned to work monthly in each port-of-entry. These inspectors are authorized and equipped to chase down those livestock transporters who ignore the signs requiring all livestock hauling vehicles to stop. This is an effort to help prevent diseased animals from entering and stolen animals from the leaving the state. A new port-ofentry was added in 1998 in Loma, Colorado on I-70.

Livestock inspectors also assist in the enforcement of animal health laws, this year working closely with the State Veterinarian in making sure all livestock men complied with the Trich bull testing regulations and as watchmen for the threat of Foot & Mouth disease. They also supervise the state's Farm Custom Slaughter Program, to insure that 45 licensed individuals provide a service to the citizens of Utah that allow them to have an animal home butchered and prepared in the best possible conditions.

The brand bureau played a significant role in the area of trespassing cattle. This included on the Ute Tribal grounds and the BLM on the Grand Staircase National Monument. We were involved in the writing of a MOU (Memorandum of Understanding) that gave direction to all parties as to how to deal with this type of a situation and insure that the property owners rights were not being violated.

Training of livestock inspectors and others within the division played a major role. This included the new area of organic farming, and the raising of organic livestock. The department and its employees have now become certified to inspect and insure the organic system, allowing ranches who participate to seek a premium price for their products, be it crops or livestock.

Renewal of some 23,000 livestock brands and earmarks was accomplished in 2000. As mandated by law, the process occurs every five years in order to keep brands current. A new brand book was published in the summer of 2001. The new brand

book and future supplements are available to the public at a cost of \$25.00. In addition to each brand owner being listed in the brand book, the department issued everyone a laminated wallet-size proof of ownership card. The ownership card is intended for use during travel and when selling animals at auctions.

Elk Farming and Hunting Parks

During the 1997 legislative session, the Domestic Elk Farming bill was passed allowing the farming of domestic elk on an individuals property. The brand bureau was asked to regulate this new industry. In 1999, an amendment to the original law allowed the licensing of domestic elk hunting parks. These are larger facilities (300 acres or larger) where domestic elk may be harvested through normal hunting methods. Up to this time, the department has licensed 35 farms and 5 hunting parks. We are also in the process of licensing those zoo's and display facilities that have domestic elk. Livestock inspectors are involved in the inspection of new facilities and elk as they come and go from each licensee's farm or park. An individual animal identification system is in place that provides detailed information about each animal. This helps to verify ownership, health and genetic purity of every animal.

During 2001, a CWD (Chronic Wasting Disease) out break in several neighboring states caused the department to dispose of and test 34 domestic elk in Utah that were considered to be a low risk exposure. The results of these tests, as well as those on all elk that die on Utah farms, and 50 percent of the elk shot in hunting parks has shown no sign of CWD in domestic elk. Continued emphasis will be placed on monitoring all domestic elk for this disease and to prevent all high risk animals from entering Utah.

UDAF Fish Health Program

By the end of FY 2001, 31 commercial aquaculture facilities (17 live fish sales, six dead fish sales, four fish processing plants, two combined fish processing plants and dead fish sales, and two in the approval process) and 91 fee fishing facilities were registered with the UDAF, Fish Health Program. New applications, (six fee fishing sites, two aquaculture sites, and one processing plant) were filed this year. One facility closed for live fish sales due to whirling disease. This shows the continued interest in aquaculture in Utah.

Twenty-five aquaculture sites were inspected for the presence of prohibited fish pathogens this year. Implementation of four biosecurity and health safety plans continued in an effort to prevent the spread of whirling disease.

Services extended to clients and the public include: 70 on-site consultations and distribution of information on aquaculture and fish diseases; on-site water quality tests conducted at 47 sites; 16 diagnostic cases involving fish losses, and laboratory work at the Smart Veterinary Diagnostic lab (histology, bacteriology, water quality, pesticide/heavy metals); issuing and renewing CORs to aquaculture, fee fishing, and fish processing facilities; collecting fish samples from 25 facilities including over 3,714 fish sampled (1996 fish for bacterial kidney disease; 3414 for viruses; 1590 for whirling disease; 960 for other; 290 warm water fish); issuing 42 fish health approvals (21 to instate facilities and 21 to out of state facilities). Forty-nine entry permits were issued for a total of 2,983,169 fish and eggs and 61,675 additional lbs. of fish im-

ported into Utah.

In August of 2001, the Fish Health Program took over the inspections of the Brine Shrimp Processing Plants. There are 23 Brine Shrimp companies currently being inspected. Most were inspected quarterly for a total of 60 inspections this year. They are inspected for sanitation, cleanliness, cyst disinfection and product testing and verification. They are also inspected to determine if foreign cysts are imported to Utah and also to ensure that waste products are disposed of properly.

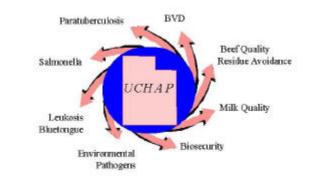
Program personnel have taken additional training to enhance knowledge and effectiveness to deal with fish health issues, customer service, and to prepare the fish health specialist for certification as American Fishery Society Fish Health Inspector. The Fish Health Program participates in continuing education lectures and presentations to further the knowledge of fish health and aquaculture.

One issue of "Aquaculture in Utah" newsletter was published in 2001. Articles dealt with the Fish Health Program web page, fish farming, brine shrimp plants, fish processing plants, and barley straw usage to prevent algal growth.

Two proposals were submitted for funding by aquaculture facility owners and reviewed by the program. One major investigation of rule infractions was undertaken during the period. This activity required hundreds of hours and resulted in fines and probation of the perpetrator.

The number of species requests forwarded to DWR was 17. The number of Fish Health Policy Board meetings attended was seven. The number of nuisance species meetings attended was two. The program is dedicated to the continuous improvement of fish health programs, reduction of unnecessary paperwork, customer satisfaction, and remaining within budget. Total savings to the taxpayer by UDAF was estimated at \$1,000.

It is the aim of the Fish Health Program to assist aquaculture operators to succeed in business and still prevent the spread of fish diseases. Often specialists work overtime and extra long days to complete these tasks.



Chemistry Laboratory



Dr. David H. Clark Director

<u>Laboratory Services</u> operates as a service for various divisions within the Department of Agriculture and Food. The division laboratories provide chemical, physical, and microbiological analyses. The majority of the samples analyzed are collected and forwarded by various field inspection personnel from the Divisions of Plant Industry, Regulatory Services, Animal Health, and Marketing and Conservation Programs.

Feed, fertilizer, meat and meat products, pesticide formulation, and dairy products are tested for specific ingredients as stated by the associated label guarantee. Some products are also examined for the presence of undesirable materials, such as filth, insects, rodent contamination, adulterants, inferior products, and pesticide residues.

The Dairy Microbiology Laboratory tests in four major areas: Grade AA Raw Milk, Industry Laboratory Certification, Quality Milk, and Consumer Products. This laboratory is certified by FDA to perform standard plate counts, coliform counts, microscopic and electric somatic cell determinations, detect for antibiotic residues, ensure proper pasteurization, and measure fat and water content. Currently, there are 27 facilities with 150 analysts under the State Milk Laboratory Evalution Officer (LEO) jurisdiction. The LEO sets up yearly proficiency testing on all analysts and is responsible for on-site evaluation and training of all certified analysts throughout the State.

The Meat Laboratory analyzes meat and meat product samples obtained during inspections of plant and processing facilities that conform to Federal and State standards. Tests for levels of fat, moisture, protein, sulfites, and added non-meat products to ensure label compliance of these products. Antibiotic residues and cross-contamination from other species are also monitored.

The Pesticide Formulation Laboratory is primarily concerned with testing herbicides, insecticides, and fungicides to ensure that the listing of active ingredients and their concentrations are in compliance with state labeling laws.

The Pesticide Residue Laboratory tests for presence and subsequent levels of herbicide, insecticide, rodenticide, and fungicide residues in plants, fruits, vegetables soil, water, and milk products. These samples are submitted when inspectors suspect there may be a misuse of the application of the pesticide. Milk samples are tested once a year to ensure no pesticide contamination and maintain compliance with FDA.

Commercial feed (agricultural and pet) samples are tested for moisture, protein, fat, fiber, minerals, toxins, antibiotics, and vitamins in the Feed Laboratory. Seed moisture determinations are also performed for the seed laboratory. The Fertilizer Laboratory tests solid and liquid fertilizer samples for nitrogen, phosphorus, potassium, and trace elements. All feed and fertilizer results are compared to label guarantees.

Special Consumer Complaint Samples are also examined for the presence of undesirable materials such as filth, insects, rodent contamination and adulterations. The samples are checked to see if the complaints are valid, and if they are, turn the matter over to departmental Compliance Officers for follow up action. Ground and Surface Waters are monitored for the presence for pesticides, nitrates, and we also test for 25 elements and other water related parameters. This data is combined with other water data collected in the field to provide a picture on the quality of the state aquifers.

Accomplishments: Currently, 23 dairy laboratories with 120 analysts are listed as Appendix N testing facilities. All laboratories and analysts have demonstrated their proficiency by passing this year's splits. We continue to do all of the analyses on the ground water samples that were previously done at Utah State University with no apparent affects on laboratory production and quality. No pesticides have been detected in dairy producer samples collected last year and the ground water samples have shown a similar trend.

Meetings with chemists and supervisors from the different divisions continue to be held to discuss status of ongoing programs, problems that are appearing, new program needs, etc.

We continue to work with USU Analytical Laboratory, a commercial laboratory in Idaho, and UDAF Grain Inspection on quality control for hay testing.

The division continues to perform very well on the check sample programs administered for milk, meat, feeds, fertilizers, and pesticide residue and formulation programs.

The following is a breakdown of sample analyses performed in the various programs in the Laboratory Services Division for the year 2000 and 2001.

2000	2001
193	84
1,247	1,033
49	11
18,295	9,787
699	714
837	1,335
0	23
31	18
40	22
22,259	31,790
1,860	9,553
257	238
45,767	54,608
	193 1,247 49 18,295 699 837 0 31 40 22,259 1,860 257

In addition to the above analytical work, a total of 8000 analyses were performed on various check sample programs. The check sample programs are vital and essential for maintaining quality control, quality assurance, and verifying accuracy of results on routine samples. These check samples are also used to help develop new procedures.

Plant Industry



G. Richard Wilson Director

The <u>Division of Plant Industry</u> is responsible for ensuring consumers of disease free and pest free plants, grains, seeds, as well as properly labeled agricultural commodities, and the safe application of pesticides and farm chemicals.

Entomological Activities

The Utah Department of Agriculture and Food currently administers nine insect and plant quarantines, which require inspection and enforcement by the State Entomologist. Effective enforcement, demands cooperation with federal agencies and regulatory officials of other states and countries. Quarantines currently in effect are for European Corn Borer, Gypsy Moth, Apple Maggot, Plum Curculio, Cereal Leaf Beetle, Pine Shoot Beetle, Japanese Beetle, Mint Wilt and Karnal bunt.

During 2001, there was approximately 897 State and Federal Phytosanitary Certificates issued under the direction of the State Entomologist. These certificates allow Utah agriculture to ship plants and plant products to other states and foreign countries. The State Entomologist also responded to more than 210 public requests for professional advice and assistance. Such assistance includes insect identification, news releases, control recommendations and participation in various education meetings and workshops.

The State Entomologist administers the Utah Bee Inspection Act (Title 4, Chapter 11), the Insect Infestation Emergency Control Act, and various entomological services under authority of Title 4, Chapter 2. Major functions performed during 2001 are summarized below:

Apple Maggot and Cherry Fruit fly

The Apple Maggot survey and detection program in Utah requires the efforts of the State Entomologist, one program supervisor, three field scouts and necessary secretarial help. The program was implemented to provide for our continued participation in export markets. In 2001 1010, traps were used in the adult survey. Since the programs beginning in 1985 property owners are contacted annually on orchard spray management techniques and removal of uncared for and abandoned orchards. Tree removal during 2001 exceeded 2000 trees in abandoned orchards.

Bee Inspection

The Utah Bee Inspection Act provides for inspection of all apiaries annually in order to detect and prevent the spread of infectious bee diseases. Without a thorough inspection program, highly contagious diseases could spread rapidly, resulting in serious losses to the bee industry in Utah with corresponding losses to fruit and seed crop producers who are dependant on bees for pollination. During 2001, 21,000 colonies of bees were inspected with the incidence of disease below 2.5 percent.

African Honey Bee

A survey and detection program for African Honey Bee has been in effect for the southern border areas of Utah since 1994. Early detection supported with information and education will be a major defense mechanism against this devastating and alarming insect. Considerable education and public awareness activity has occurred since the African Honey Bee was discovered in Mesquite, Nevada in the summer of 1999.

Cereal Leaf Beetle

Cereal Leaf Beetle was discovered in Morgan County in 1984. It has since been found in fourteen counties of northern Utah. Because Cereal Leaf Beetle can cause a reduction in small grain production up to 75 percent, and domestic grain markets require insect free shipments, the Utah Department of Agriculture and Food in cooperation with Utah State University conducts an annual survey and detection program for this insect. A cooperative insectary program with USU has provided beneficial parasitic wasps that prey on Cereal Leaf Beetle. These beneficial parasites have now spread to all northern Utah counties helping to reduce populations significantly. Additional cooperative investigations by Utah State University and the Utah Department of Agriculture and Food into the biology and life expectancy of Cereal Leaf Beetle in compressed hay bales may one day allow shipments of hay from infested areas of the state during certain times of the year.

Gypsy Moth

Gypsy Moths were first found in Salt Lake City in the summer of 1988. Since that time the Utah Department of Agriculture and Food has been the lead agency in the administration of a major biocontrol program that has had a 95% success rate. Moth catches have been reduced from 2,274 in 1989 to 2 in 2001. The major benefits of this program are:

- 1. Cost effectiveness
- 2. Public nuisance reduction
- 3. Forest and natural resource protection
- 4. Watershed protection.

Eradication efforts still show significant progress and trapping programs will remain vigorous.

Cricket/Grasshopper

The 2001 Fall Rangeland Insect Survey was completed the last week of August. Information from this survey indicates that we may have 1,390,100 acres infested with grasshoppers in 2002, and possibly 1,894,500 acres infested with Mormon Crickets. The information from the fall 2001 survey indicate the population of

both grasshoppers and Mormon Crickets may infested 3.3 million acres in 2002. Insect damages ranging upwards of 22.5 million dollars may be expected again this year. Large populations of these voracious insects in 1998, 1999, 2000, and 2001 prompted the Governors Declaration of Agricultural Disaster. Limited Federal and limited State funds provided some relief during 2001 but left many private farmers, ranchers and homeowners to use their own resources to control the infestation.

Fertilizer Program

Administration of the Utah Commercial Fertilizer Act (Title 4, Chapter 13). The program regulates the registration, distribution, sale, use, and storage of fertilizer products. It regulates, and licenses fertilizer blenders and monitors the applicators that spray or apply fertilizer and take samples for analysis.

Major functions performed in this program in 2001

1.	Number fertilizer manufacturers/registrants	216
2.	Number of products received and registered 1.	,928
3.	Number of products registered because of investigations	15
4.	Number of fertilizers sampled, collected, and analyzed	268

- 5. Tonnage sales in Utah (July 1, 1999-June 30, 2000) 125,907 6. Number of samples that failed to meet guarantee 7. Guarantee analysis corrected
- 8. Number of inspection visits to establishments 9. Number of violations of the fertilizer Act

10. Number of blenders licensed

Unwanted Pesticide Disposal Program

Year	Participants	Disposal Amount/lbs.	
1993	27	11,453	
1994	36	17,487	
1995	31	14,095	
1996	27	12,334	
1997	34	19,903	
1998	31	26,244	
1999	34	17,145	
2000	48	27,700	
2001	28	7,324	
Total to d	late 155	152,601 pounds	(76.3 tons)

Pesticide Product Registration Program

1.	EMERGENCY	USE	PERMITS	(Section	18).
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- 2. SPECIAL LOCAL NEEDS (SLN).
- 3. EXPERIMENTAL USE PERMIT (EUP) 2001 - 0

Pesticide Product R	Registration
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Number of pesticide manufacturers or registrants:	785
Number of pesticide products registered:	9,601
Number of new products registered as a	
result of investigation:	544
Number of violations of the Pesticide Act	12
(Violation of old products not registered for current year	ır):
Number of product registration requests by	
field representatives:	92

Nursery Inspection Program

nuisery inspection i rogram		
1.Number of licenses issued to handlers of Nursery stock	580	
2.Number of Nursery Inspections conducted	836	
3. Number of violations of the Nursery Act	44	

USDA Private Applicator Restricted Use Pesticide Record Program

1.Number private applicators records surveyed	100
2.Percent private applicators using RUP's products	45 %
3.Percentage of elements recorded as required	100 %
4.Percentage of private applicators without records	0 %

Shipping Point and Cannery Grading Program

Number of Inspection	Pounds	Iinspection
Apples	21	652,558
Cherries, Sweet	19	556,300
Cherries Tart	10	256,964
Onions	696	24,883,800
Potatoes	1	10,000
TOTALS	747	26,359,622

Pesticide Program

The Utah Department of Agriculture and Food administers the Utah Pesticide Control Act, which regulates the registration and use of pesticides in Utah. This Act authorizes pesticide registration requirements and the pesticide applicator certification program. The UDAF is the lead state agency for pesticide use enforcement under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA). The UDAF administers sections of FIFRA under which programs are developed and implemented by cooperative grant agreements with the Environmental Protection Agency (EPA). These programs include the Worker Protection Program, Endangered Species Program, Ground Water/Pesticide Protection Program, Certification Program, and Pesticide Enforcement.

Worker Protection Program

This program provides general training, worker and handler pesticide safety training, "train the trainer" program, training verification, outreach and communication efforts, reporting and tracking, and performance review actions. The UDAF has adopted the national Worker Protection Standards (WPS) Verification Program and distributes WPS Worker and Handler Verification cards to qualified WPS trainers and does WPS training as necessary

Endangered Species Pesticide Program

Utah has developed an Endangered Species Pesticide Plan. This plan allows the state to provide protection for federally listed

645

3 28

species from pesticide exposure while tailoring program requirements to local conditions and the needs of pesticide users. Utah's plan focuses on the use of pesticides as they relate to the protection of threatened and endangered species on private agricultural land and lands owned and managed by state agencies. The UDAF is the lead state authority responsible for administering the plan. Through an interagency review committee, special use permits or landowner agreements can be established to allow for the continued use of certain restricted pesticides for those locations that contain threatened and endangered species.

Ground Water/Pesticide Protection Program

The EPA is working with the UDAF to establish a Ground Water State Management Plan as a new regulatory mechanism under FIFRA to prevent pesticide contamination of the nation's ground water resources. The Utah Ground Water/Pesticide State Management Plan is a state program that has been developed through cooperative efforts of the UDAF with various federal, state, and local resource agencies. The plan includes an assessment of risks posed to the state's ground water by a pesticide and a description of specific actions the state will take to protect ground water resources from potentially harmful effects of pesticides.

Certification Program

The UDAF has entered into an agreement with EPA to undertake the following as part of the department's Pesticide Certification program: maintaining state certification programs, state coordination with Utah State University Extension Service, state evaluation and participation in training programs, conduct certification activities, maintain records for certified pesticide applicators, and monitor certification program efforts. The department develops and prepares pesticide applicator certification manuals and examinations as part of the licensing requirements of the state.

Pesticide Enforcement Program

The UDAF enforcement activities include the following: cancellation and suspension of pesticide products, general compliance monitoring, tracking, sample collection and analysis, enforcement response policy, ground water and endangered species pesticide enforcement activities, and FIFRA section 19 (f) enforcement actions.

Pesticide	Activity

1. No. of inspections of pesticides sales establishments:	61
2. No. of physical pesticide samples collected:	18
3. No. of investigations of pesticide uses:	159
4. No. of violations:	52
5. No. of pesticide applicator training sessions:	25
6. No. of applicators certified Commercial,	
Non-Commercial, Private:	4,028
7. No. of pesticide dealers licensed:	81

Seed Inspection and Testing

Administration of the Utah Seed Act (Title 4, Chapter 16) involves the inspection and testing of seeds offered for sale in Utah. Work performed in FY 1999-2000 is summarized below:

1.	Number of seed samples tested:	1,848
2.	Number of violations determined:	35

Seed Testing and Seed Law Enforcement

The seed analysts and seed laboratory technician conduct tests on seed samples submitted by agricultural inspectors, seed com-

panies, and other interested parties. Most common tests include percent germination, purity, and presence of noxious weeds, although a number of other tests are performed upon request. Inspectors monitor the seed trade by collecting representative samples for testing and by checking for proper labeling of all seed offered for sale and for the presence of noxious weeds and other undesirable factors.

Noxious Weed Control Program

In administering the Utah Noxious Weed Control act (Title 4, Chapter 17), the State Weed Specialist coordinates and monitors Weed Control Programs throughout the State. The thirteen agricultural field representatives located throughout the state made approximately 1,246 visits and inspections. This includes visits and or direct contact with the following agencies: Retail establishments; weed supervisors and other county officials; state agencies; federal agencies; utility companies; private landowners; and hay and straw certification personnel.

Control of Noxious Weeds

- 1. The Division weed specialist coordinates weed control activities among the county weed organizations and the agricultural field representatives.
- 2. Surveys of serious weed infestations are conducted and control programs are developed through the county weed supervisors, county weed boards, and various landowning agencies.
- 3. The weed specialist and the inspectors work continually with extension and research personnel in encouraging the use of the most effective methods to control the more serious weeds.
- 4. Noxious weed free hay certificates

Activities in Hay and Straw Certification

Inspections in 23 counties; Inspections for 96 producers; Approximately 140,000+ bales inspected; Number of Inspections: 140

Commercial Feed Program

Administration of the Utah Commercial Feed Act, (Title 4, Chapter 12) involves inspection, registration, and sampling of commercial feed products. Activities performed in this program in 2001 are summarized below:

1.	Number of feed manufacturers or registrants contacted	ed: 500
2.	Number of feed products registered:	5,700
3.	Number of analysis requested of chem. Lab:	1,335
4.	Number of feed samples collected and tested:	496
5.	Number of violations:	38

Grain Inspection

The Federal Grain Inspection Service provides under authority of Title 4, Chapter 2, Section 2, and under designated authority grain inspection services. Following is a summary of work performed during the past fiscal year under dedicated credit provisions, with expenses paid by revenue received for grading services:

1. Number of samples:	13,045
2 .Number of miscellaneous tests conducted:	21,523
3. Total number of activities performed:	34.523

NOTE: Volume of work is influenced each year by a number of factors, among which are weather conditions, governmental crop programs, and marketing situations.

Regulatory Services



Kyle R. Stephens Director

Mission - UDAF works towards accomplishing the food program's mission of ensuring:

- Foods are safe, wholesome, and sanitary.
- Food products are honestly, accurately, and informatively represented.
- These products are in compliance with Utah's laws and rules.
- Non-compliance is identified and corrected.
- Unsafe or unlawful products are removed from the marketplace.

Food Program Activities – The Utah Department of Agriculture and Food conducted 327 more inspections in 2001 than in 2000. This is a 9 percent increase with the same amount of resources. The number of facilities in a given category and the number of inspections conducted in each category are indicated below.

Food Compliance Program

Food Safety and Security – The American <u>food safety</u> system is justifiably admired around the world. Consumers are provided with an abundant supply of convenient, economical, high quality and safe food. Protecting the safety and quality of the food supply is one of the Utah Department of Agriculture and Food (UDAF), Division of <u>Regulatory Services</u> main functions. UDAF's oversight of food safety, wholesomeness and labeling has contributed greatly to the safety of the food system.

The September 11, 2001, terrorist attack on New York and Washington generated a heightened awareness of the fact that food and water are targets for tampering and criminal or terrorist activity. UDAF is working to shift industry's paradigm into thinking about the security of food as well as the food safety aspects. We are seeking to educate food establishments on measures that can be taken to minimize the risk of food being subjected to tampering.

Enforcement

Food Product Control - The Utah Wholesome Food Act includes two main areas of responsibility: adulteration and misbranding. A food is adulterated if it contains any poisonous substance, which may render it injurious to health, or if it has been produced or stored under conditions whereby it may become contaminated with filth, or rendered diseased, unwholesome or injurious to health. Misbranding is when food products are improperly labeled or missing key information.

In order to protect the consumer, food that is suspected of being misbranded or adulterated is prevented from moving in commerce. This is achieved through Voluntary Destructions, Hold Orders and Releases. In 2001, 25 hold orders involving 41,933 pounds of food and six hold order releases were issued. Fortysix voluntary destructions were agreed upon involving 66,919 pounds of food. The food was destroyed because it was suspected of being adulterated.

Warning Notices - When voluntary compliance cannot be achieved, we take additional regulatory action in the form of Warning Notices and Administrative Action. In 2001, UDAF sent out 51 Warning Notices concerning non-compliance with the Utah Wholesome Food Act (WFA) and the Utah Food Protection Rule (FPR).

Citations - Seven citations were issued in 2001. Four were issued to supermarkets, one to a dairy, one to a meat store and one to a bakery. Citations continue to be an effective enforcement tool.

INSPECTIONS 2001

ESTABLISHMENT TYPE	NUMBER	INSPECTIONS
Bakeries	389	677
Grain Processors	9	15
Grocery Stores	1,204	1,805
Meat Departments	341	652
Food Processors	433	654
Warehouses	265	302
Water Facilities	26	43
TOTAL	2,667	4,148

Food Program Priorities

Organic Standards Rule - <u>Organic foods are</u> agricultural products that are produced under standards that prohibit or limit substances such as pesticides or genetically engineered organisms. This year the Department adopted a new Organic Standards Rule. The consumer's interest in healthy diets and their concern about additives present in many processed and traditional type food products drove the adoption of this Rule.

This Rule is a great benefit to both the agricultural industry and the public. This program will facilitate the marketing of fresh and processed food that is organically produced. It assures consumers that such products met consistent uniform standards. These standards are voluntary and will not impact industry unless they choose to participate in the organic program. Under this new program organic producers and processors will have the opportunity to be certified by Utah.

Olympics - The 2002 Winter Olympics are now over and the time spent planning and implementing the plan was well worth it. The public health aspects of the Olympics went extremely well. No major foods borne illnesses were reported.

Regulatory Services was a member of an alliance called the Environmental Public Health Alliance or EPHA. The Alliance was comprised of six local health departments and UDAF, the Department of Health and the Department of Environmental Quality. The Alliance formed work groups and committees to cover the broad public health and environmental aspects of the Olym-

pics. EPHA's planning ensured risks were minimized and problem areas were addressed and resolved quickly.

UDAF participated on the steering committee for EPHA, the drinking water committee, the food safety work group, the import committee, the food training committee, the enhanced operations committee, the rapid response committee, and the venue team leader committee. These teams designed training programs, inspection sheets, standardized procedures and policies, wrote rules and put together systems to ensure public and environmental health was well protected during the Olympics. Industry and the Salt Lake City Organizing Committee (SLOC) appreciated the unified approach.

Within our Division, we put together an inspection team. Team members were the environmental health specialists in the counties where the venues were located. UDAF had four main areas of responsibility for the Olympics. First, we provided food safety inspections for the SYSCO Foods warehouse, which was the sole food supplier for the Olympic venue sites. Second, we inspected Compass, who manufactured the boxed lunches. More than 320,000 lunches were manufactured for the volunteers during the Olympics. During the paralympics 20,000 boxed lunches were made. Third, Restaurant Associates, a Compass subsidiary, manufactured and catered food for the USA house, the opening and closing ceremonies at Rice Eccles Stadium and the Medals Plaza. Fourth, UDAF employees were on a rapid response team designed to act as back up or emergency support for the local county health departments if additional resources were needed. It was a challenge for UDAF to provide Olympic food inspection coverage as well as the routine food program coverage with no additional re sources

Farmer's Markets - Historically farmer's markets have sold raw agricultural products to the public. In the past few years we have seen a revival of these markets. They operate from August through October. The modern farmer's market is very different than those of the past. There are increased activities relating to food service and other types of food processing taking place outdoors. Food samples are being given to consumers. UDAF developed guidelines for industry to follow because this is a unique area that is not adequately covered in Utah's Food Protection Rule. To adequately address the issue and problems that we were seeing at the farmer's market we decided to work with local county health departments. This approach worked very well. It ensures a uniform approach to the food inspection process preventing industry confusion.

Chili Roasters - There was an increase in popularity of purchasing and consuming bulk roasted green chilies. UDAF investigated the situation and found over 20 of these seasonal chiliroasting operations in Utah. According to the Food Protection Rule, roasted green chilies would be considered a potentially hazardous food. These are foods that are capable of growing microorganisms that could lead to illnesses. We became very alarmed that chilies were being roasted in farmer's fields, backyards and garages with no form of protection against environmental contaminates or without running water. Basic food safety practices, such as the washing of hands, were not taking place. The food safety issues surrounding roasting chilies without proper facilities are equivalent to cutting meat outdoors. UDAF took enforce-

ment action throughout Utah against individuals and companies roasting chilies without being in compliance with agriculture's laws and rules pertaining to food safety. This was a very emotional issue for many businesses that had been doing this for years. They put pressure on the Department to change its enforcement practices. We stayed with our original decision to stop the chili roasting operations unless the chili roasting operations complied with Utah's requirements for a food facility because of the extreme risk associated with processing this type of product.

Non-traditional Food Establishments - UDAF received a call from a local county health department. They had a popcorn business in their area that had been popping popcorn and packaging it in a tent located in the Wal-Mart parking lot every Saturday. The business had been doing this for over a year. The county health department had given this food establishment a permit to operate. Now the health department was wondering whether it should have allowed food processing to take place in a tent. They had not required any of the basic construction items such as floors, walls and ceiling, handsinks and warewashing sinks. They wanted our help. At first, the health department looked at it like a temporary food service type operation that you would see at a fair. UDAF thought of it as someone processing food in the parking lot of Wal-Mart. One of our food safety responsibilities is ensure the environment in which food is produced is clean and sanitary. We issued a Cease and Desist to the company. They were very upset stating that the food code was not being enforced uniformly across the state. UDAF recognized the great diversity in the types of non-traditional food establishments. Each local health department looks at these facilities differently. The food code does not adequately address temporary food facilities making enforcement difficult. The lack of standardization affected UDAF because we have jurisdiction throughout the state. We decided that we needed to bring the Utah Department of Health in to assist us in achieving uniformity in this area. A committee was formed to develop definitions and guidelines for non-traditional food facilities. Education of industry and the local health department is being implemented to ensure the success of this workgroup.

Meat Compliance Program

The Meat Compliance Program goal is to control and limit the movement in commerce, of adulterated or misbranded meats. An additional goal is to provide accurate information concerning complex meat laws.

The State of Utah has experienced little if any conflict with implementation of the HACCP program at meat production facilities. Compliance stands ready to assist with documentation and prosecution of any violations and has assisted with collection of several outstanding bills for service. The planned compliance review program continues to monitor all custom exempt plants, farm custom slaughter facilities and game processors for compliance. The centralization of the meat packing industry has forced an increase in the numbers of animals processed by exempt facilities.

This year the final determination of amenability of central kitchens to full time inspection was handed down. One "state of the art" central kitchen affected by the decision applied and was granted official inspection. The Utah Department of Agriculture and Food, Meat Compliance Program successfully argued for ex-

emption from official inspection for kitchens providing meals to the public and athletics of the 2002 winter Olympics hosted by Utah. Appropriate food safety monitoring and inspection was accomplished by a correlation of food safety experts from agriculture, EPA, health departments and professional food service organizations. The success of the food service portion of the 2002 Olympics supported our measured and common sense approach. Utah enjoys a high degree of compliance with the federal mandate to provide "Safe Handling Labels" on all fresh meat and poultry products. Three Warning Notices were issued to firms not in compliance. The Meat Compliance program continues to notify firms of non-compliance with Safe Handling, or other labeling violations. Utah also found significant compliance with the new regulation requiring shell eggs be stored, transported and held at ambient temperatures of 45 degrees or cooler, one firm was issued notice of non-compliance. The past year showed a dramatic decrease in food-borne illness associated with Salmonella Enteritis in shell eggs. The 41 confirmed Salmonella enteritidis cases reported during 2001 was an 86 percent decrease from the 299 confirmed cases reported during 2000! These are the lowest numbers we have seen in several years. Aggressive enforcement of food code refrigeration rules and the response of industry and government official to last years outbreak accounts for this important decrease. Meat Compliance is responsible for accurate trace-back and documentation of implicated products.

During the calendar year 2001 the Meat Compliance Program conducted 1,294 random reviews of state businesses and 556 reviews at facilities not generally inspected by meat compliance officers. The division also 43 planned compliance reviews of previous violators of meat laws. Compliance investigations resulted in 17 letters of warning being issued. A citation for \$100 was issued for the illegal slaughter of lambs and goats. Compliance officers collected more than 500 ground beef samples, which were analyzed by the State Chemist for fat, sulfites and added water. The results showed a decline in compliance with 18 percent high in fat content and approximately 5 percent significantly high. During 2002 increased emphasis will be given to this matter. The Meat Compliance is faced with a growing problem, of improper use of retail stores as suppliers of meat to restaurants. We will focus significant effort to educate and obtain compliance with laws and restrictions to these types of sales.

Egg & Poultry Grading

The Egg and Poultry Grading program provides a needed service to the egg and poultry industry and the consumers of Utah. Grading provides a standardized means of describing the marketability of a particular product. Through the application of uniform grade standards both eggs and poultry can be classified according to a range of quality characteristics. Buyers, sellers and consumers alike can communicate about these characteristics through a common language. These grading services are made possible through cooperative agreements with the USDA. We administer this service using licensed department employees, USDA Standards, regulations and supervision. The use of the official USDA be a challenging task. Both the egg industry and government agengrade shield certifies that both eggs and poultry have been graded under the continuous inspection of grading personal.

Program activities include:

Shell Egg Grading Egg Products Inspection **Poultry Grading** Shell Egg Surveillance

Shell Egg Grading

The egg producers of Utah produced 2,369,000 (30 Dozen per case) cases of shell eggs in 2001. Approximately 25 percent of those eggs where USDA graded by licensed graders. The shell egg grading section has also seen a dramatic increase in the number of eggs being USDA graded for the ultimate consumer. In years past, the USDA grading of shell eggs in Utah was done primarily for institutional buyers of shell eggs. Consumer graded shell eggs in 2001 accounted for approximately 51 percent of all eggs graded in Utah. A total of 588,746 (30 Dozen Case) cases where graded by licensed graders in Utah this past year 2001. This is a 272,482 (30 Dozen Case) case increase from last year,

or about an 86 percent increase.



An additional employee was hired to assist in providing coverage at the Delta Egg Farm Plant, as coverage is now needed there seven days per week. In 2001 grading personnel offered presentations to elementary age children. They explained the USDA grade mark and what it means

to the consumer when purchasing USDA graded eggs.

On September 1, 2001, the Food and Drug Administration implemented a new labeling requirement, which is a part of the President's Action Plan to Eliminate Salmonella Enteritidis. All shell eggs destined for the ultimate consumer must carry the following safe handling statement on the shell egg carton. Compliance with this requirement has been very good.

The Utah egg industry continues to work on the concerns associated with Salmonella Enteritidis. As the producers work to prevent illness, the consumer must do their part to handle eggs properly or the diligent efforts of the producer will have gone to waste. Even though only a few eggs may be contaminated, (1 in 20,000 eggs may carry the infection Salmonella Enteritidis) we still need to continue refrigerating and cooking eggs properly.

During 2001 McDonalds, Burger King and Wendys all announced requirements for suppliers in regards to the humane treatment of egg producing type hens. They all included basically the same requirements. More cage space, banning the practice of withholding feed to increase production and elimination of the practice of debeaking. This could have a big impact on the egg industry not only in Utah but also in the nation. In the European countries force molting has already been banned and by the year 2012 caged chickens will be phased out. Consumers today can buy eggs in the retail market that are raised cage free. These eggs typically sell for a much higher price and are produced at smaller operations. For a buyer the size of McDonalds who purchases 1.5 billion eggs annually finding that many eggs of this type could cies are looking at these issues. We should see changes in management practices in the coming years.

Egg Products Inspection

The Egg Products Inspection Act provides for the mandatory continuous inspection of the processing of liquid, frozen and dried egg products. Egg products are inspected to ensure that they are wholesome, properly labeled, and packaged to protect the health and welfare of consumers. Egg products are used extensively in the food industry in the production of food products and by restaurants and institutions in individual meal service.



For many years the per capita consumption of eggs declined. This was due to health concerns and lifestyle changes. But it would appear that the consumption of egg has been on a steady increase sense 1991, when the per capita consumption was 233.7 eggs per person. In the year 2001, the per capita consumption of eggs was 259.9. Part of the reason for this increase is the demand for further

processed eggs. The further processing of eggs adds greater product stability, longer shelf life, and ease in preparation and storage as well as product safety. It is predicted that this trend will continue and we should see continued growth in the egg breaking industry.

During the year 2001, 189,260 (30 Dozen per case) cases of shell eggs where processed into liquid or frozen egg products in Utah. This is an increase of about 26 percent over the previous year. This compares to the year 2000, where 140,497 (30 Dozen per case) cases were processed.

Shell Egg Surveillance - The Egg Products Inspection Act also requires that all egg producers with over 3,000 layers, firms grading and packing eggs from production sources other than their own, and hatcheries be registered with USDA. These firms are visited quarterly to verify that shell eggs packed for the consumer are in compliance, that restricted eggs are being disposed of properly, and that adequate records are being maintained.

Poultry Grading

In 2001, the licensed grading staff at Moroni and Salina was responsible for grading 81,279,368 lbs. of processed turkeys and turkey products.

Poultry Graders were also involved in the processing of Donated Poultry Commodities. Donated cooked diced chicken was processed into chicken pot pies. These pies were used in the school lunch program and during 2001, 81,312 pies where processed.

Two Utah plants were added as part time USDA Poultry plants in 2001. Lower's Meats are involved in the processing of poultry



bearing the "Prepared from Grade A" mark. This plant will be provided coverage by an USDA FSIS inspector. Shepherd Foods Inc. processes donated poultry commodities and coverage for this plant is provided using existing grading personnel.

Retail Egg Grading - During the year 2001, state egg graders conducted a sampling of retail

eggs. These eggs were graded for quality, checked for refrigeration requirements and labeling requirements. A total of 45 stores where visited throughout the state. A total of 1,810 cases of eggs were graded and compliance with the regulations appeared to be good.

Dairy Compliance Program

The primary goal of the Dairy Compliance Program is to provide effective public health control throughout the production, processing, handling and distribution of milk and milk products in order to facilitate the shipment and acceptance of high sanitary and superb quality milk and milk products.

Drug Monitoring Program -The entire dairy industry has been sensitized to the concern over the presence of animal drug residues in milk. It is the responsibility of the Utah Department of Agriculture and Food to monitor industry surveillance activities to ensure that drug residue screening tests are performed in accordance with acceptable methods and requirements.

Drug residue screening is a heavily regulated aspect of the dairy industry. Among the many regulations there is now a list of prohibited drugs. There are 12 substances including antibiotics and minerals that are on the list of banned substances that are not allowed to be used on dairy farms. Both federal and state regulatory agencies consume a great amount of time and energy examining paper work and performing audits, evaluations, inspections, and sampling in checking for compliance with existing requirements which are in place to ensure that Utah's milk supply is free from animal drug residues.

Approximately 1 billion pounds of milk was produced in Utah during the year 2001. During the year 0.175 percent or 1.75 million pounds of milk produced in the state was discarded due to antibiotic residues. This is up 250,000 pounds from the year 2000. In all, there were 40 milk tank trucks of milk that had to be rejected because the milk could not be allowed to be processed or enter into the human food chain because the milk contained animal drug residues. This demonstrates how well the surveillance activities are actually working to ensure that milk contaminated with animal drug residues is identified and removed from the normal flow into commerce and market channels.

NCIMS - The May 2001 National Conference on Interstate Milk Shipments (NCIMS) approved a two year extension to the Dairy Hazard Analysis Critical Control Point (HACCP) Inspection Pilot Program. Utah will have two dairy plants participating in this voluntary pilot program. Gossner Foods has chosen to continue on from the first phase and The Dannon Company has been selected to participate in the second phase. Kyle R. Stephens, Director, Division of Regulatory Services, was elected to the Executive Board of the NCIMS Conference representing the 13 western states. This is the first time anyone from Utah has been elected to the board.

This program continues to seek voluntary compliance whenever possible. However, when voluntary compliance cannot be achieved, regulatory action is initiated. During the calendar year 2001, there were 2145 inspections conducted; 102 administrative letters were written; 58 permits were suspended; 2 administrative hearings were held; and 1.75 million pounds of adulterated milk and milk products were removed from commerce by Utah Dairy Compliance Officers.

Dairy Program Statistics

TYPE	NUMBERS	INSPECTIONS
Grade A Farms	356	1369
Manufacturing Farms	44	166
Dairy Processors	45	359
Raw to Retail Dairies	4	21
Milk Hauler/Samplers	244	67
Milk Trucks	336	163

Bedding, Upholstered Furniture, & Quilted Clothing Program

The purpose of the Bedding, Upholstered Furniture and Quilted Clothing Program is to protect consumers against fraud and product misrepresentation, to assure Utahn's hygienically clean products and to provide allergy awareness when purchasing these articles. Utah law requires manufacturers, supply dealers, and wholesalers of these products, and components used to make or repair such products, to obtain an annual license from the Department of Agriculture and Food for their particular type of business before offering items for sale within the state. Application forms and other program materials are available at the following URL: http://ag.utah.gov/regsvcs/regservices.html

Product labels are required to indicate whether the product is made from new or secondhand materials and to disclose filling materials by name and percentage. This enables consumers to make price/value/performance-based buying decisions. It also encourages fair competition among manufacturers by establishing uniformity in labeling and accurate component disclosure.

Utah has amended their Bedding, Upholstered Furniture, and Quilted Clothing Rule to adopt by reference ABFLO's standard for plumage-filled articles of bedding and furniture. Similar requirements for the labeling of plumage-filled clothing have been written. Products shall only be labeled "Down" if they contain a minimum of 75 percent down and plumules. Articles containing a mixture of down and feathers must show the percentages of each contained therein. The rule will eliminate tolerances in the down content in conformance with FTC's Truth in Advertising requirements and will promote national uniformity.

License fees fund an inspection program, which allows products to be examined and tested to ensure contents are accurately labeled. During 2001, 1185 licenses generated \$63,000 in general revenue making the program self-sustaining.

Food Labeling Program

The State of Utah has adopted labeling regulations as set forth in the Code of Federal Regulations (CFR) and reviews labels to assist manufacturers to comply with these regulations. Label reviews help new producers avoid costly reprinting of incorrect labels and help assure that consumers get complete and accurate information in a uniform format on all food products.

Proper labeling of food ingredients is a vitally important issue to consumers who have food sensitivities or other dietary restrictions. Reports of allergic reactions to incompletely or incorrectly measure to check for the accuracy of the amount of product de labeled foods continue to increase. The U. S. Food and Drug livered by the dispenser. Administration (FDA) has identified increased food security and Scanner Inspections may be conducted in any type of store. Scan-

is an important part of their food safety program.

Manufacturers are responsible for ensuring that food is not adulterated or misbranded as a result of undeclared allergens. FDA believes the following foods account for more than 90 percent of all food allergies: legumes (such as peanuts and soybeans), milk, eggs, fish, crustacea, mollusks, tree nuts, and wheat. The CFR provides that spices, flavors, and certain colors used in foods may be declared collectively without naming each one individually. However, in some instances, these ingredients contain subcomponents that are allergens. Evidence indicates that some food allergens can cause serious reactions even when present in very small amounts. Therefore, the presence of an allergen, even as a sub-component of another ingredient, must be listed in the ingredient statement.

Manufacturers, who produce a variety of foods, some with and others without allergenic ingredients, must take care that there is no cross-contamination between product lines. FDA urges manufacturers to examine their production sequencing and cleaning procedures for equipment commonly used for more than one food product. Manufacturers should also be aware of ingredients in foods that may be reworked into other food products. Some food manufacturers have voluntarily included allergen statements on their labels, such as: "Made in an establishment that also processes nuts." Such statements do not reduce the necessity for good manufacturing practices, nor relieve the manufacturer of liability for food adulterated with allergenic ingredients from another food.

Correct and complete food labels help to protect consumers and contribute to a safe and healthful food source for all of us. However, consumers are still ultimately responsible to read and understand the label and make choices based on their personal needs.

Weights and Measures Program

The Weights and Measures Program involves all weights and measures of every kind and any instrument or device used in weighing or measuring application. The purpose of the program is to ensure that equity prevails in the market place and that commodities bought or sold are accurately weighed or measured and properly identified. Unannounced inspections are routinely conducted. Weights and Measures also respond to consumer complaints. These activities are enforced through the Utah Weights and Measures Act and five accompanying administrative rules. In the year 2001, emphasis was given to consumer protection in the area of price verification, package inspection, liquefied petroleum meters, scale inspections, gasoline pumps and petroleum and water meters.

The Weights & Measures Program operates in the following

General Inspections - Scales are inspected to insure that they are accurate for the services in which they are used, installed properly, and positioned so that customers can see the display.

Weights and Measures inspectors pump fuel into a certified test

safety as their #1 goal for 2002. Proper labeling of food allergens ner pricing errors adversely affect retailers and consumers. Re-

tailers lose profits on undercharges and consumers lose money on overcharges. Price Verification inspections ensure that consumers are charged the advertised price for the items they purchase

Weights and Measures officials check packaged products to be sure they contain the quantity stated on the label. Inspectors take random samples of packages in stores and count the items in the packages. Officials weigh or measure the contents to see if the labeled quantity is accurate.

Our inspectors checked 5,689 small capacity scales (0 – 999lbs.) and 13,467 gasoline pumps. Every type of item is subject to either a scanning inspection, package checking, or label review. In 2001, there were 15,394 packages and 30,977 scanners checked.

Large Capacity Scales - Large-scale capacities include 1,000 lbs. and up. These devices may include scales used for weighing livestock, coal, gravel, vehicles, etc., within inspections conducted at auction yards, ranches, ports of entry, mine sites, construction sites, gravel pits and railroad yards, etc. A total of 1,278 large capacity scale inspections were conducted in 2001.

Liquified Petroleum Gas Meters - Our weights and measures LPG inspector provides inspections to all Utah Vendors dispensing LPG either through dispensers or delivery trucks. In 2001, there were 272 propane meters inspected throughout the state. These inspections included checking appropriate installation and calibration of propane dispensers and meters.

Large Capacity Petroleum and Water Meters - Inspections are conducted on airport fuel trucks, fuel delivery trucks, cement batch plant water meters and other large meters. There were 333 inspections conducted in 2001.

Metrology Laboratory - The Metrology Laboratory is oper ated and maintained by one person. The state maintains standards of mass, length, and volume. In the year 2001, 601 artifacts from industry and 215 artifacts from the Utah Weights and Measures Program were tested for a certificate of calibration certificate. These include calibration services in mass, length, and volume, using standards that are traceable to the National Institute of Standards and Technology.

Consumers rely on the services of this facility to certify equipment used for weight, length or volumetric measurement in commercial business.

Motor Fuel Laboratory - The Motor Fuel Laboratory maintains a high standard of testing for motor fuel quality. For the year 2001, 27 complaint cases required investigation and validation of claims. Of the 27 cases, 26 were determined to be valid requiring further investigation. Of the 26 cases that were investigated, we were able to help consumers recoup monetary losses. The money that was recouped was approximately \$2,250. The compensation was for repairs performed on vehicles with fuel related damage that had been properly and accurately diagnosed by professional mechanics. After the diagnosis by the professional mechanics, Utah Motor Fuel Testing Laboratory also verified the validity of the claims.

Two primary reference octane standards were obtained and the actual value was assured using the knock engine in the Utah Motor Fuel Testing Laboratory prior to using them as secondary or field standards. This was to provide fresh field standards for use in the portable octane analyzers. It was determined that our knock engine instrument and test methods yielded the same results as those of the refineries and the round robin groups that the refineries belong to.

As population and industry growth continues, so does the need to provide weights and measures inspection services.

Adjudicative Proceedings

The overall approach of the department is to gain voluntary compliance to violations of the Utah Agricultural Code. When that is not accomplished, the department initiates administrative actions and provides opportunity to a hearing. During 2001, the department conducted a total of tow administrative hearings. These actions resulted in \$14,500 in civil penalties being assessed against Utah businesses, with a total of \$1,500 being paid and the balance set aside as a part of a probation agreement. The number of hearings conducted declined during this time period and is due in large part to the fact that the department promulgated administrative rules, in March 1999, giving the department the authority to issue citations for violations to the agricultural code. A citation, of up to \$500, can be issued for violations without proceeding to a hearing. During 2001, the department issued 23 citations for a total of \$4,000 in fines.

The department's administrative procedures are an effective tool in gaining compliance without going through the legal system, but still afford individuals and companies their due process rights.

